Calendar No. 1018

97TH CONGRESS, 2d Session | SENATE | REPORT No. 97-685

BIB SUPPLEMENTAL AUTHORIZATION ACT, FISCAL YEAR 1983

DECEMBER 16 (legislative day, NOVEMBER 30), 1982.—Ordered to be printed

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Mr. PERCY, from the committee on Foreign Relations, submitted the following

REPORT

[To accompany S. 3107]

The Committee on Foreign Relations having under consideration an original bill to amend the Board for International Broadcasting Act of 1973 to authorize additional appropriations for fiscal year 1983, reports favorably thereon and recommends that the bill do pass.

PURPOSE

The primary purpose of this bill is to authorize an additional $13.2 million of appropriations for fiscal year 1983 for the Board for International Broadcasting (BIB). The BIB acts as an independent government agency to receive appropriated funds and to allocate them to Radio Free Europe-Radio Liberty (RFE/RL). The Board is also authorized to review and evaluate the mission and operations of RFE/RL to insure proper accountability of public funds, to develop and apply evaluative procedures to assure that grants are applied in a manner not inconsistent with the broad foreign policy objectives of the United States, and to develop regulations to carry out its functions.

This additional authorization request will raise the total funding levels of BIB to $111.6 million. It will enable RFE/RL to enhance programming, improve audio quality and renovate broadcast facilities. This authorization would fund additional program staff, freelance contributions, news bureaus, monitoring stations, modernized text and data processing systems, and anti-jamming research.

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BACKGROUND

On July 19, 1982, the President announced his intention "to move forward consistent with budgetary requirements with a program to modernize our primary means of international communication, our international radio system." He stated that "the Voice of America, Radio Free Europe and Radio Liberty have been neglected for many years. Their equipment is old and deteriorating, their programming resources strained. Little has been done to counter the jamming that has intensified in recent years."

In accordance with the President's announcement, the Administration submitted for the urgent consideration of the Congress an amendment to the fiscal year 1983 appropriation request for the Board for International Broadcasting (RFE/RL) and for the U.S. Information Agency (VOA) totalling $44 million.

The U.S. Information Agency (USIA) has enough excess authorization to cover this appropriation request through a reprogramming process.

The following chart sets forth the relationship of the pending USIA fiscal year 1983 appropriations request to the fiscal year 1983 authorization:

U.S. INFORMATION AGENCY—RELATIONSHIP OF PENDING FISCAL YEAR 1983 APPROPRIATIONS TO FISCAL YEAR 1983 AUTHORIZATION

[Millions of dollars]

Item	Authorization Public Law 97-241	Pending appropriation S. 2956 [1]	Authorizations minus appropriations	Proposed authorization reprograming
1. Pending appropriations:				
A. Per P.L. 97-241, Sec. 112(b) (O'seas infl., pay raises from fiscal year 1982, etc.)	$30.0	$24.1	$5.9	
B. Per P.L. 97-241, Sec. 302:				
(1) Salaries and Expenses (dollar and SFC) except A above	480.8	471.1	9.7	−$7.5
(2) East-West Center	18.2	18.0	.2	−.2
(3) Radio construction	40.0	25.0	15.0	−15.0
(4) Exchanges (special use per Sec. 305)	20.0	14.6	5.4	
Sub-total, Sec. 302	559.0	528.7	30.3	−22.7
Total, pending	589.0	552.8	36.2	−22.7
2. VOA amendment		22.7	−22.7	22.7
Grand total	589.0	575.5	13.5	

[1] The House Appropriations Committee has approved a fiscal year 1983 total of $538.2 million for all USIA accounts in H.R. 6957. The Senate Committee's recommendation of $552.8 million, which adds $14.6 million to the House level for enhanced exchanges, is reflected here. Thus, there is room in the fiscal year 1983 authorization to cover VOA needs by reprograming even if the higher pending Senate appropriations level is approved.

The Board for International Broadcasting will need an additional $13,283,000 authorization. The following illustrates the relationship of the pending fiscal year 1983 BIB appropriation to fiscal year 1983 authorization:

Pending appropriation—S. 2956	$90,300,000
Proposed appropriation—Budget amendment	21,300,000
Total	111,600,000
Authorization—Public Law 97-241	98,317,000
Needed authorization	13,283,000

The purpose of the $21.3 million BIB appropriation amendment is to enable Radio Free Europe/Radio Liberty (RFE/RL) to enhance programming, improve audio quality and renovate broadcast facilities. The amendment would fund additional program staff, freelance contributions, news bureaus, monitoring stations, modernized text and data processing systems, and anti-jamming research.

This increased funding would permit an expansion of the RFE/RL staff from 1,675 to 1,750 permanent employees, primarily directed toward improving programming. This would include increased news gathering capacity, Soviet area research, and program capability in Ukrainian, Central Asian, Baltic and other nationality languages of the U.S.S.R.

Of the $21,300,000 additional appropriation request, $12,870,000 represents a one time cost. The following is a breakdown of the total additional request:

Additional personnel (including recruitment costs)	$3,625,000
Free-lance programs, contract studies, panels	1,250,000
News and program travel	700,000
Editorial and broadcast training programs	300,000
New monitoring stations and news bureaus	450,000
Text and data processing hardware and software	2,500,000
Enhanced audience research	350,000
Munich studio modernization	5,850,000
Broadcast quality program lines and circuits	1,275,000
Transmitter site improvements	1,870,000
New security systems	1,200,000
Anti-jamming and DBS research	350,000
Munich building improvements and new equipment	1,000,000
Estimated early retirement costs	580,000

A more detailed justification is included in the Appendix to this report.

Committee Action and Recommendation

On November 30, 1982, Senator Percy at the request of the Administration introduced S. 3052 to authorize additional appropriations for the BIB for fiscal year 1983.

The Committee conducted public hearings on this legislation on December 6. At that time, the following individuals presented the Administration's justification for this authorization request: The Honorable Frank Shakespeare, Chairman, Board for International Broadcasting; Mr. Ben J. Wattenberg, Vice Chairman, Board for International Broadcasting; and the Honorable James L. Buckley, President of Radio Free Europe/Radio Liberty. Copies of their testimony are included in the Appendix to this report.

The full Committee met on December 7 to mark up S. 3052. At that time, Senator Zorinsky offered the following amendment:

(At the end of the bill, add the following new section:)

> Sec. 3. (a) No funds authorized to be appropriated by this Act or any other act may be used to pay any salary for any employee of Radio Free Europe/Radio Liberty, Incorporated if such salary exceeds the maximum salary paid to a member of the United States Foreign Service.
>
> (b) No funds authorized to be appropriated by this Act or any other act may be used to pay any housing or post allowance for any employee of Radio Free Europe/Radio Lib-

erty, Incorporated which exceeds the maximum housing allowance and post allowance to which a member of the United States Foreign Service would be entitled at such post.

The purpose of this amendment was to limit all salaries at RFE/RL to the federal ceiling and to limit all housing and post allowances to the maximum available to a member of the Foreign Service. Senator Zorinsky noted that Radio Free Europe and Radio Liberty are entirely funded by the U.S. taxpayer and that the salary and benefit package proposed for the new President of RFE/RL would likely exceed $200,000 per annum. Senator Zorinsky argued that such a large increase—the new President's compensation package exceeds his predecessor's package by more than $100,000—was particularly inappropriate at a time of enormous deficits and of 10.8 percent unemployment.

Senator Percy expressed support for the basic thrust of Senator Zorinsky's amendment, but felt that it should have a prospective application. He expressed concern that the application of Senator Zorinsky's amendment to Mr. Buckley would be unfair in view of the fact that Mr. Buckley had undoubtedly deferred lucrative opportunities in the private sector to work for the Radios. Therefore, Senator Percy offered a modification which would have made Senator Zorinsky's amendment applicable to all future employees hired, promoted or appointed to positions in RFE/RL.

Senator Lugar, in an effort to eliminate any restrictions on the authority of the Board for International Broadcasting to determine personnel policy, moved to table both the Zorinsky and Percy amendments. Senator Lugar's motion carried by a record vote of 5 to 3. Senators Percy, Lugar, Pressler, Pell, and Tsongas voted in favor of the tabling motion. Senators Helms, Glenn, and Zorinsky opposed the motion.

During the consideration of this issue, the Committee agreed with Senator Percy, as it did last summer at the conference on the original authorization bill, how extremely important it is that all our international broadcasts—RFE/RL as well as VOA—consistently adhere to the highest standards of responsible journalism. Accuracy, objectivity and restraint are as essential as ever before.

These standards are very well defined in the BIB Statement of Mission and the RFE/RL Program Policy Guidelines, which were adopted during the Ford Administration but which, in large part, incorporate earlier documents reflecting our experience with these broadcasts going back to the Eisenhower Administration.

The Mission Statement and the Guidelines are thus, as the conference report noted (H. Rept. 97-693), the product of careful bipartisan deliberation in several administrations. They reflect the national interest in the long-range credibility of Radio Free Europe and Radio Liberty as trustworthy media of news and news analysis. They are the basis on which RFE/RL enjoys licenses and leases for facilities in Western Europe. They are also the basis of broad bipartisan support here in Congress.

It is the position of the Committee that the Mission Statement and the Guidelines should not be tampered with—or ignored. On the contrary, as the Committee said last summer, it looks to the

BIB members and their oversight staff to assure that all the 21 RFE/RL language services continue to observe these high standards and sensible restraints. Now that there is new management in Munich, the Committee believes that it would be prudent for the BIB and management to reaffirm their unequivocal adherence to this basic charter.

Cost Estimate

In accordance with Rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the Committee provides the following estimates of the cost of this original bill, prepared by the Congressional Budget Office:

U.S. Congress,
Congressonal Budget Office
Washington, D.C., December 15, 1982.

Hon. Charles H. Percy,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for the Board for International Broadcasting Supplemental Authorization Act, Fiscal Year 1983, as ordered reported by the Senate Committee on Foreign Relations on December 14, 1982.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely

Raymond C. Scheppach,
(For Alice M. Rivlin, Director).

Congressional Budget Office, Cost Estimate—December 15, 1982

1. Bill number: Not yet assigned.
2. Bill title: Board for International Broadcasting Supplemental Authorization Act, Fiscal Year 1983.
3. Bill status: As ordered reported by the Senate Foreign Committee on December 14, 1982.
4. Bill purpose: This legislation authorizes the appropriation of additional funds for fiscal year 1983.
5. Estimated cost to the Federal Government:

[By fiscal year, in million of dollars]

	1983	1984	1985	1986	1987
Authorization level	111.6				
Less: Estimated existing appropriation	90.3				
Net Authorization	21.3				
Estimated outlays	21.3				

The costs of this bill fall within budget function 150.

Basis of estimate: The estimate assumes enactment of this legislation and subsequent appropriation of the authorized amount in this session Congress. The outlay estimate assumes the full amount will be provided as a grant to radio Free Europe/Radio Liberty, Inc.

6. Estimated cost to state and local governments: None.

7. Estimate comparison: This estimate is identical to the estimate for H.R. 7367, as reported by the House Foreign Affairs Committee.

8. Previous CBO estimate: None.

9. Estimate prepared by: Joe Whitehill.

10. Estimate approved by: C. G. Nuckols (for James L. Blum, Assitant Director for Budget Analysis).

Evaluation of Regulatory Impact

In accordance with Rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the Committee has concluded that there is no regulatory impact from this original bill.

Changes in Existing Law

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Section 8 of the Board for International Broadcasting Act of 1973

AUTHORIZATION OF APPROPRIATIONS

Sec. 8 (a)(1) There are authorized to be appropriated to carry out the purposes of this Act—

"(A) $86,519,000 for the fiscal year 1982 and [$98,317,000] *$111,600,000* for the fiscal year 1983; and".

APPENDIX

BIB FISCAL YEAR 1983 ADDITIONAL AUTHORIZATION REQUEST—JUSTIFICATION

Additional Personnel, $3,625,000

$3,150,000 is estimated in fiscal year 1983 for compensation of 75 additional employees, which would bring the total to 1,750. Some 30 of the new positions would be in Soviet area research and Radio Liberty non-Russian nationality service programming, 15 in the Central News Division (including six at new bureaus in the Middle East, Southwest Asia and the Far East), eight to bolster Radio Free Europe language desks. In addition, the request would provide for technical monitors at new stations in Scandinavia and Turkey, electronic test and data processing specialists, additional security officers, several middle-management specialists and support personnel.

$175,000 is estimated for recruitment and interview travel.

$300,000 is allotted for "talent opportunity hires," limited double-slotting and summer intern programs—all aimed at accelerating the rejuvenation of staff. In 1981, the GAO reported that 42 percent of program staff were over 55 years of age; some 200 exile Soviet and East European programmers are due for retirement before 1990. This program would permit management the flexibility to screen, audition and train a broad variety of young emigrants for upcoming vacancies.

Free-Lance Program Funds, $1,250,000

$250,000 of this sum would be allocated for contract policy studies and expert panels involving leading Western specialists on the U.S.S.R. and Eastern Europe.

An increase of $1,000,000 in funds available for free-lance contributions would enable RFE/RL rates to become competitive once again—they have not been significantly raised in a decade—and thus attract a broader and more distinguished group of contributors in Western Europe and the United States.

News and Program Travel, $700,000

The aim is a sharp increase both in live coverage by language desk personnel and on-the-spot coverage by Central News correspondents outside Munich and existing field bureaus. Such funds have been severely restricted by budgetary stringencies in recent years.

Training Programs, $300,000

More than $100,000 will be allotted to intensive English-language training programs for Soviet and East European exiles, to facilitate their handling of English-language news and research materials. A similar sum will provide for large-scale training of program and area research personnel in electronic text and data processing, in order to be able to convert feature script and area research operations to the new technology. The remainder will provide for specialized training in broadcast techniques for selected exile programmers.

Monitoring Stations and News Bureaus, $450,000

To broaden and diversify RFE/RL news coverage, new bureaus will be opened in the Middle East, Southwest Asia and the Far East. New monitoring stations in Finland and Turkey would provide both technical monitoring of the RL signal to the U.S.S.R. and content monitoring of low-power regional broadcasts in the northwestern and south-central regions of the U.S.S.R. (Leningrad and the Baltic States; Soviet Central Asia and the Caucasus). This sum is for necessary start-up costs, including all required communications equipment.

Text and Data Processing, $2,500,000

RFE/RL began using computers for financial operations in the late 1960's; in 1975, visual display editing was installed for central news operations. Both these systems were upgraded in 1981, but both program scripts and area research materials are still prepared by pre-electronic means. To extend and modernize the system, the following are needed:

Word processing hardware (30 terminals and printers, five 11/44 computers) and accompanying software to extend the system to feature scripts and area research ($2,045,000).

New financial hardware and software program packages would enable more rapid budget preparation and financial analysis ($200,000).

Computer equipment for a frequency propagation report system ($30,000); a personnel information system ($88,000); and a disk drive and core memory for the current computer configuration ($99,000).

Specialized personnel and employee trainee programs are provided above to assist installation and operation of the new technology.

Enhanced Audience Research, $350,000

An additional $100,000 is needed to expand the number of interviews with Soviet travelers to 2,400, which would permit annual audience estimates, and to contract with Turkish-speaking interviewers to meet with travelers from Soviet Central Asia. Another $200,000 would enable an all-out effort to interview 1,000 non-Russian travelers, principally from the Ukraine and the Baltic States. $50,000 would be earmarked for increasing the Bulgarian sample,

which has been inadequate, and for improved field controls on interviews with East European travelers.

Studio Modernization, $5,850,000

The building which houses the RFE/RL Munich Broadcast Center was designed as a hospital during World War II. It contains 22 studios, which are used by the 20 RFE/RL language services for their broadcasts. Sixteen of these were built in the early 1950's; the remaining six were built in 1976, but are using equipment much of which is more than 15 years old. Although a few modern consoles and new tape-recorders have been funded in recent years, the studios themselves are antiquated. Many have windows to the outside street noise. Accoustical treatment is poor by today's standards. None are air-conditioned. Modernization of the entire studio complex, including new equipment, sound proofing and accoustical treatment will enhance the clarity of audio, which is particularly important under conditions of jamming.

Broadcast Quality Program Lines, $1,275,000

To improve RFE/RL audio quality, these funds will provide for broadcast-quality program relays from Munich to Gloria ($1,000,000); high-quality circuits from West European bureaus to Munich ($100,000); and an additional satellite circuit from the United States to Munich ($175,000). The finest possible signal is required in conditions of jamming.

Transmitter Site Improvements, $1,870,000

These funds would provide a number of critical improvements at RFE/RL technical sites as well as assure the carrying-out of essential maintenance of buildings, roads and antenna fields—maintenance which has been deferred in most cases for 10 years and in some for 20.

The major improvements include:

Further automation at the Schleissheim monitoring station ($107,000).

Completion of the Maxoquiera-Gloria microwave link ($220,000).

Diplexing of antennas at Pals ($125,000) and Biblis ($50,000).

Purchase and installation of 12 new multichannel logging recorders for the transmitter sites ($200,000) and replacement of three old reference recorders ($100,000).

Purchase of frequency synthesizers ($101,000) and replacement of combines ($55,000) at Gloria.

Installation of a telephone system at Holzkirchen ($10,000).

Among the most urgent of the maintenance projects is re-painting of the antenna towers ($176,000) at Lampertheim, which may present an air traffic security problem. Improvement of antenna switch fields, as well as long-deferred building repairs at all sites, are also provided.

New Security Systems, $1,200,000

The bombing of the Broadcast Center on February 21, 1981, prompted an indepth reappraisal of security needs at all RFE/RL European installations. A variety of security measures was implemented in fiscal year 1981 and fiscal year 1982. To complete the recommendations of qualified experts, the following additional steps are required:

Installation of closed circuit TV, perimeter alarms, fences, smoke/fire alarms, and Mylar Protection for windows to protect the "core" of each site in Germany ($355,000).

A computer-controlled entry system to provide limited access to sensitive/restricted areas in Munich ($100,000).

Limited protection an antenna fields at Biblis, Lampertheim and Schleissheim, with strategically placed microwave systems, fences, etc. ($100,000).

Following completion of the closed-circuit TV and perimeter alarm systems at Gloria and Pals transmitter sites, additional security fencing will be built around strategic antenna fields; they will be illuminated and alarmed with electronic intrusion equipment ($610,000).

Installation of an intercom system connected with the fire alarm system, plus emergency lights in studios, in Munich ($35,000).

Anti-Jamming and DBS Research, $350,000

$300,000 is sought to enable the Board and RFE/RL to participate, together with USIA and VOA as well as other agencies, in Government-wide research into jamming and anti-jamming techniques, as well as research and development to be conducted by NASA in feasibility studies of using direct broadcast satellites for international broadcasting. $50,000 is allotted for BIB and RFE/RL participation in preparations and research for the World Administrative Radio Conference on high-frequency broadcasting scheduled to begin in 1984.

Broadcast Center Refurbishing, $1,000,000

In addition to reconstruction of the Munich studio complex, the Broadcast Center requires roof repairs, repainting, canteen renovation and new office equipment; $360,000 is provided for these purposes. Modernization of the electric system ($160,000), replacement of old typewriters ($225,000), new compact shelving ($140,000) and new printshop equipment ($140,000) are also foreseen.

Early Retirement Costs, $580,000

In each of the past three years, 20 to 25 senior RFE/RL employees have chosen to retire before the age of 65. Under the company's labor contracts, they are entitled to notice and severance benefits averaging $47,000. The original fiscal year 1983 request was $580,000 under the currently estimated need for such funds.

THE PRESIDENT'S LETTER OF DECEMBER 9, 1982, EXPRESSING THE ADMINISTRATION'S POSITION ON THE FISCAL YEAR 1983 APPROPRIATION REQUEST

THE WHITE HOUSE,
Washington, D.C., December 9, 1982.

The Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR CHUCK: A month ago I sent to the Congress requests for an additional $22.7 million in appropriations for the United States Information Agency and an additional $21.3 million for the Board for International Broadcasting in the current fiscal year. I would like to explain why I have taken this step, and to enlist your cooperation in securing passage of this important legislation during the current session.

International broadcasting is vital to our national security. The success of our nation in the international arena depends, to a critical degree, on how well the the action and intentions of the United States are understood by the rest of the world. By making clear where our country stands on the major issues of our time, and by articulating the ideals and aspirations that underlie our actions, we can gain understanding of and support for American foreign policy. By making available full and unbiased information about world events, we can provide the perspective necessary for intelligent judgements about world affairs.

The importance of international broadcasting and its role in the worldwide competition of ideas is not always well understood. Radio continues to be the primary method of communication in many areas of the world. In some areas—notably, in the Communist world—international radio remains virtually the only source of reliable news and information. For this very reason, the Soviet Union has long sought to prevent reception of these broadcasts. Their efforts have increased measurably in recent years in the wake of the turmoil in Poland. The jamming of Western radio broadcasts by the Soviet Union is now of unprecedented intensity, and for the first time extends to broadcasts intended for other countries—specifically, Poland and Afganistan.

At the time, the Soviet Union appears to have launched a campaign of intimidation designed to inhibit Western broadcasting efforts. In a recent conference of the International Telecommunications Union in Nairobi, the U.S.S.R. had one of its allies introduce a resolution that would have legalized jamming of international broadcasts. The Polish government has repeatedly complained that Western broadcasts have interfered illegitimately in that nation's internal affairs, and the Soviets themselves have undertaken a

campaign of slander against the principal radio organizations supported by the U.S. Government, the Voice of America and Radio Free Europe/Radio Liberty.

We reject the charge that U.S. international broadcasting operations are in any sense improper. The principle of freedom of information is embodied in a number of international agreements to which the U.S.S.R. and its allies are parties, and deliberate interference with international broadcasting is specifically outlawed under the Convention of the International Telecommunications Union. Soviet accusations that U.S. broadcasts are irresponsible are, in any event, utterly without foundation. The existing charters and guidelines of the Voice of America and of Radio Free Europe/Radio Liberty are sufficient indication of the painstaking efforts that have been undertaken to insure the accuracy, reliability, and responsibility of our radio stations. There is nothing provocative about broadcasting the truth.

It is vital that we undertake initiatives now for the modernization and strenthening of our international radio broadcasting operations. The time has come to give these operations—for too long systematically underfunded and neglected—the attention they deserve. The additional funding I am requesting for the Voice of America and Radio Free Europe/Radio Liberty in fiscal year 1983 is a critical first step in this direction. These monies are intended primarily to assist rapid modernization of the technical infrastructure of the radios and to rebuild personnel levels in essential areas. Failure to obtain the additional funding in the current session will seriously hinder timely implementation of our overall program. Particularly at this time of critical change in the Communist world, having these improved capabilities as soon as possible is a matter of vital national interest. Please join me in this important effort.

Sincerely,

RONALD REAGAN.

STATEMENTS DELIVERED AT HEARING ON DECEMBER 6

S. 3052, FISCAL YEAR 1983 BUDGET AMENDMENT FOR THE BOARD FOR INTERNATIONAL BROADCASTING (BIB)

MONDAY, DECEMBER 6, 1982

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The Committee met, pursuant to notice, at 11:10 a.m., in room 4221, Dirksen Senate Office Building, Hon. Larry Pressler presiding.

Present: Senators Pressler and Helms.

Senator PRESSLER. I will call this meeting to order. Having just come from a meeting with my irate truckers about the tax bill and having the Commerce Committee in session, I have to spread my time, but this is a very important meeting this morning.

We will consider S. 3052, a bill which amends the Board for International Broadcasting (BIB) Act to authorize an additional appropriation for fiscal 1983.

This additional request of $13.2 million was submitted to the Congress on November 23, and will raise the fiscal year 1983 Board for International Broadcasting authorization level to $111.6 million.

The BIB acts as an independent government agency to receive appropriated funds and to allocate them to Radio Free Europe/Radio Liberty. The act authorized the BIB to, among other things, make grants to RFE/RL; review and evaluate the mission and operations of RFE/RL to ensure proper accountability of public funds; develop and apply evaluative procedures to assure that grants are applied in a manner not inconsistent with the broad foreign policy objectives of the United States; and develop regulations to carry out its functions.

The purpose of this additional authorization request is to enable Radio Free Europe/Radio Liberty to enhance programing, improve audio quality and renovate broadcast facilities. The amendment would fund additional program staff, freeland contributions, news bureaus, monitoring stations, modernized text and data processing systems, and anti-jamming research.

Our witnesses on this bill are Frank Shakespeare, Chairman of the Board for International Broadcasting, Jim Buckley, President, Radio Free Europe/Radio Liberty, Incorporated, and Mr. Wattenberg, Vice Chairman of the Board for International Broadcasting.

S. Rept. 97-685 --- 2

Therefore, we will begin by hearing from the first volunteer.

STATEMENT OF HON. FRANK SHAKESPEARE, CHAIRMAN, BOARD FOR INTERNATIONAL BROADCASTING

Mr. SHAKESPEARE. Mr. Chairman, I am the first volunteer.

I am Frank Shakespeare. On my right is Ben Wattenberg, who is Vice Chairman of the Board and Chairman of the Program Committee of the Board, and on my left is Jim Buckley, who since November 1 has been the President of Radio Free Europe/Radio Liberty. Mr. Wattenberg and I are part-time executives involved in Board activities. Mr. Buckley will be the full-time operating executive resident in Munich.

We have no opening statement, but, if I may, I would like to make one general remark, and that is the three of us present at this table—Mr. Wattenberg. Mr. Buckley, and myself—have come from diverse background, mostly have spent our lives involved in various aspects of the movement.

Senator PRESSLER. Hold the microphone a little closer to you. The people in the back cannot hear.

Mr. SHAKESPEARE. I was simply making an ad lib remark to the effect that Mr. Buckley, Mr. Wattenberg, and myself have basically come on board within the last year. We come from diverse backgrounds, but the one commonality in that background is that we have spent our lives dealing with the movement of ideas avocationally and vocationally with the competition of ideas between the Communist society and ourselves.

Our two observations in taking a look at Radio Free Europe/Radio Liberty for the first time was, one, that the services are of enormous value to the people of the West and of the United States and, second, that while the broadcasters themselves are clearly people of devotion and conviction and experience the backup that we give them in terms of facilities, in terms of proper support in research and other areas leaves something to be desired.

And it is out of that thought that we come to you this morning with a request for approximately $21 million of additional funding in this government fiscal year.

I do not know if Mr. Wattenberg and Mr. Buckley care to make remarks. Mr. Wattenberg.

STATEMENT OF BEN J. WATTENBERG, VICE CHAIRMAN, BOARD FOR INTERNATIONAL BROADCASTING

Mr. WATTENBERG. Just let me echo and expand on what Mr. Shakespeare has said. We have heard a great deal in recent years about this contest of ideas that is going on around the world. To my understanding there has been a lot of talk and very little action so far.

This is one instance where for a relatively small amount of money, as these things are reckoned in the big scheme of things, this government can make a real impact on that contest of ideas. About half of the $21 million in the supplemental deals directly with editorial matters. As a sometimes working journalist I have been exposed to the sorts of things that go on in radio stations. I have spent many weeks now both in the United States and, on two

separate trips, in Munich trying to investigate what was going on in those stations.

As Frank says, these are dedicated and able people who are doing a very good job, but underfunded in a major way. We have a situation where we do not have money to put a news bureau in Pakistan, for example, to report on what the Afghanistan refugees have to say.

We have in the United Kingdom a news bureau that has all of $700 for travel money. You cannot be a good journalist unless you have the ability to travel. We have a major lack of transmitting power into the Central Asian areas of the Soviet Union, an area of great turmoil and turbulence. And it is, as I say, for a relatively small amount of money, as these things are reckoned.

This is an opportunity, it seems to me, for the Congress to weigh in in an important way to further this contest of ideas.

Mr. SHAKESPEARE. Mr. Buckley?

Senator PRESSLER. I might say that in your remarks I have two questions submitted at the request of Senator Zorinsky, and I will just read those questions and you can respond later in writing. We will leave the record open. I thought it might be useful to ask those questions now so you might blend them into your remarks.

Could you explain why you believe these new bureaus are necessary? That concerns the two new bureaus in the Middle East and Southeast Asia.

Then, question number nine, RFE/RL salaries and benefits. This is from Senator Zorinsky. Do the salaries of any RFE/RL employee, including the President, exceed the Federal ceiling? If so, which employees receive more than the ceiling and how much do they receive? What is the justification for this?

Question number ten: Do the post and housing allowances for any RFE/RL employees exceed those that would be available to U.S. diplomats at the comparable salary levels stationed in the same post? If so, which employees receive more than the comparable State Department allowances and how much more? What is the justification for this?

You may proceed.

Mr. SHAKESPEARE. Thank you, sir. Mr. Buckley may have some opening remarks.

STATEMENT OF HON. JAMES L. BUCKLEY, PRESIDENT, RADIO FREE EUROPE/RADIO LIBERTY

Mr. BUCKLEY. I just want to say that I came back recently from 2 weeks reviewing the scene in Munich. I was impressed by the caliber and knowledge of the people, but they are being asked to do an extraordinarily important job with dilapidated studios, with broadcasting equipment, transmitters and so forth that simply have not had enough maintenance over recent years.

So we have in some respects at jeopardy the task that we have set out to conduct. We have in our news gathering and programing staffs people who no longer have the flexibility to chase the news where it is. Hence, I might add, the need for some sort of coverage in what are the new hot spots in the world, namely the Middle East and Southeastern Asia, especially in light of Pakistan.

We have transmitters that because of neglect could collapse and some of these things are that serious. We also have the fact that there are things happening in the world right now that are of extreme importance to the West and in terms of a proper understanding of the people behind the Iron Curtain of what is happening in the West and happening in their own countries—I refer to Poland, I refer to the Helsinki Accord Conference in Madrid, I refer to events in the Middle East and Afghanistan. But we are not able to get the message across in sufficient depth, with sufficient variety to do the job.

One of the interesting things about this particular request is that if the Congress sees fit to honor it one does not have to wait 1 or 2 years for the results to be seen. Those results will be seen in January and February. That is why we believe that it is important to move forward now and not await next year and the next Congress, where we could look forward, at best, to a 6-month delay.

Mr. SHAKESPEARE. Senator, Mr. Chairman, may I respond at this point to Mr. Zorinsky's inquiries?

Senator HELMS. On my right is Ben Wattenberg, who is Vice Chairman of the Board of Radio Free Europe/Radio Liberty and Chairman of the Program Committee. On my left is former Senator Buckley, who is President of Radio Free Europe/Radio Liberty. Mr. Wattenberg and myself are part-time Board members and Mr. Buckley will be the full-time operating executive in Munich.

Before you came in, the Chairman passed on a question from Senator Zorinsky as to the expansion of news bureaus.

Mr. Chairman, we are going to, under this funding, establish two new news bureaus. One will be in northern Pakistan on the Afghan border. We broadcast in Radio Liberty every day to seven Turkic-Moslem languages in the area just north of Iran, Afghanistan and and parts of China. We are the largest broadcaster in the world in terms of diverse languages and air time to those peoples.

They are specifically and enormously interested in events in Afghanistan and Iran because of proximity, because of rough similarities of language, and because of the Moslem religion. Of course, the other populations of the Soviet Union are also interested in Afghanistan for obvious reasons.

At the present time, all that we have to report on Afghanistan comes from rip and read from the major press agencies—that is, Agencies Francais Press, UP, AP or Reuters. We propose to put a two-person bureau in northern Pakistan on a continuing basis in order to get up-to-date flow of material, anecdotal material for bradcast purposes, to enliven our broadcasts about Afghanistan.

Second, we propose to establish a bureau in the northern Pacific. The Soviet Union is an Asian power as well as a European power. At the present time, all of our news bureaus are in the West. That is to say, we have news bureaus at the present time in Rome, in Paris, in London, in Brussels, in New York, and in Washington. But we have no news bureau in Asia.

Of course, broadcasting 24 hours every day to the Russian people we need to reflect accurate information about Asia and their involvement in Asia. Therefore, again, we will put a two-person news bureau somewhere in the northern Pacific. Conceivably it would be in Tokyo or Peking. Wherever it is, it will need sufficient travel

funds to move about the area—that is to say Korea, Taiwan, Hong Kong, that sort of thing.

So those two news bureaus—one in the northern Pacific and one in northern Pakistan—will give on-the-spot flow of material back into Munich for rebroadcast in our different language services into the Soviet Union.

The second question that Senator Zorinsky asked had to do with salaries and housing benefits. I would want to give an exact answer to that and, if it is agreeable with you, I will provide that for the record.

Senator PRESSLER. Thank you.

Senator Helms, do you have any questions?

Senator HELMS. Mr. Shakespeare, do you have any assessment of our expenditures compared or contrasted to the Soviet Union in this field?

Mr. SHAKESPEARE. Yes, sir. The United States Information Agency [USIA] has made a brief documentary film on international broadcasting and in it, drawing on their various resources, they make the assessment that the Soviet Union exceeds on the order of seven to ten times the combined expenditures of the United States, which are split between Radio Free Europe/Radio Liberty, in our case, and Voice of America in their case.

Senator HELMS. Of course that would not include expenditures by surrogates of the Soviet Union, such as Cuba in our own hemisphere.

Mr. SHAKESPEARE. Yes, sir. But, correspondingly, it would not include BBC, Deutschevella or Call Israel or other Western broadcasters.

Senator HELMS. But everything is about 7 to 10 times as much being spent by the Soviet Union and their surrogates?

Mr. SHAKESPEARE. Yes, sir.

Senator PRESSLER. I would like to submit, unless there is objection, the questions staff has prepared for written response. We have a list of questions prepared by staff which I think are quite good, but many of which will require some data.

Will that be agreeable?

Mr. SHAKESPEARE. Yes, sir. Our timetable is very tight.

Senator PRESSLER. We will submit these today. These are fairly straightforward questions.

Mr. SHAKESPEARE. We have a cash flow problem, Mr. Chairman.

Senator PRESSLER. This will not hold you up. It is a question about the German Pension Plan and so forth which, if you want me to plow through here, I will. But I think you would have to go back to your files.

Can you be sure that these questions are submitted for the record, and would you make the answers available today?

Mr. SHAKESPEARE. Thank you.

Senator PRESSLER. Thank you very much.

[Additional questions and answers follow:]

Board for International Broadcasting's Responses to Additional Questions Submitted for the Record

Question 1. Reason for late submission.—In his "Captive Nations" speech of July 19, 1982, the President announced his intention to modernize the radios.

Why has the Administration waited for the last three weeks of this Congress to request this additional funding?

What is so urgent in this submission that it cannot be taken up as a supplemental authorization early next year?

Answer. The President's announcement followed completion of a comprehensive inter-agency study of U.S. international broadcast needs conducted under the auspices of the National Security Council. The study recommended a long-term program to improve and modernize both Voice of America and Radio Free Europe/Radio Liberty, and identified priority needs amounting to more than $103 million. However, the Administration's Budget Review Board, examining the matter, recognized that there was a gap in the foreign affairs account between the Administration request and the Congressional budget resolution, and also that the basic appropriation bill for the foreign-affairs agencies had not yet passed either House. The priority needs were then re-studied, and separated. Funds for transmitter construction and other long-term projects were deferred; the budget amendment submitted to the Congress provided for needs that could be met swiftly upn enactment of the necessary appropriations.

The amendment seeks to remedy deficiencies that have accumulated over many years, and became most evident in the Polish crisis. Enactment of the budget amendment would enable RFE/RL to begin remedying these deficiencies in the very first months of 1983. The supplemental process would cause a delay of at least 6 months.

Question 2. German pension plan.—The management of Radio Free Europe/Radio Liberty, Inc., has been informed by the Swiss Life Insurance Company that the Radios German Pension Plan is underfunded by approximately $9 million. According to your presentation materials, 42 percent of your program staff is over 55 years old and approximately 200 exile East European and Soviet programmers are due for retirement before 1990.

Are any of the requested funds going to be used to fund the German Pension Plan? If not, what is being done to fund the German Pension Plan?

How do you expect to deal with the increasing problem of the retirement of key personnel?

Answer. None of the requested funds are earmarked for the German Pension Plan. The Board is awaiting the annual audit report of RFE/RL, Inc. by Arthur Andersen, Inc. before considering the issue of how to meet actuarial standards in pension funding.

Question 3. Additional personnel.—Approximately $3.1 million of BIB's additional funding request is earmarked to hire 75 new employees. Well over 50 percent of BIB employees reside in Munich, Germany. The additional cost of providing housing and cost of living allowances for these employees has at times been extremely expensive to the Radios.

How much do the Radios spend annually on employee housing and cost of living allowances?

How many of the 75 new positions to be funded from this additional authorization will be located in the United States?

In light of the unemployment figures in the United States, shouldn't a greater effort be made to hire employees in the United States and to transfer jobs to the United States?

Answer. In fiscal year 1982, RFE/RL spent $4,137,400 on employee housing and $2,486,200 on cost-of-living allowances.

The exact allocation of the 75 new positions has yet to be determined. However, relatively few will be located in the United States.

Question 4. Programming versus new equipment.—The President stated in his July 19, 1982 speech that the Radios' (VOA and RFE/RL) "equipment is old and deteriorating, their programming resources strained. Little has been done to counter the jamming that has intensified in recent years."

Could you provide the Committee with a description of the state of the radio equipment now being used by Radio Free Europe and Radio Liberty?

Would new or more modern equipment assist the Radios in overcoming some of the Soviet jamming? If so, why is so little of this additional request (approximately $7 million) being allocated for studio modernization and transmitter site improvements?

Answer. The budget justification describes the outmoded conditions of Munich studios and other technical deficiencies. Transmitter needs will be addressed in subsequent requests. The emphasis in this budget amendment was on actions that could be taken swiftly, without new permissions from foreign governments (that would be required for new transmitter sites).

Question 5. Monitoring programs.—Previously, the Radios monitored their programs to see if they conformed to stated U.S. foreign policy.

Do the Radios currently monitor their programs to see if they are consistent with U.S. foreign policy? How much of your budget is spent for this activity?

Answer. Within RFE/RL, the Broadcast Analysis department monitors programs on behalf of management. The permanent BIB staff assists the Board in evaluating policy compliance, largely through the use of contract evaluators and reports from U.S. missions in the area.

Question 6. Policy studies.—BIB's presentation materials indicate that $250,000 of the requested authorization will be allocated for contract policy studies and expert panels involving leading Western specialists on the U.S.S.R. and Eastern Europe.

How do the Radios utilize such studies? On what policy issues will such studies be undertaken? Shouldn't these types of studies be undertaken by USIA in its private sector programs?

Answer. Budgetary stringencies have prevented contract policy studies and expert panels for many years. The aim is a broader cross-fertilization of ideas than is provided by permanent staff alone. The studies and panels would be designed to concentrate on issues of special relevance to RFE/RL listeners, using outside experts otherwise not available. For example, a panel discussion of

Soviet demographic trends might focus on non-Russian nationalties population growth, the impact on the Soviet armed forces, the implications for industrial siting and the like. The discussion would be attended by RFE/RL staffers who could participate in clarifying points on behalf of their audiences, and would be reflected in more informed programs. USIA studies are more broadly focused.

Question 7. News bureaus.—Your presentation materials indicate that RFE/RL will be opening two new bureaus in the Middle East and Southwest Asia and the Far East.

Could you explain why you believe that these new bureaus are necessary?

Answer. Mr. Shakespeare answered this question in his testimony.

Question 8. RFE/RL salaries and benefits.—Do the salaries of any RFE/RL employee, including the President, exceed the Federal ceiling? If so, which employees receive more than the ceiling and how much more do they receive? What is the justification for this?

Do the post and housing allowances for any RFE/RL employees exceed those that would be available to U.S. diplomats at the comparable salary level stationed in the same post? If so, which employees receive more than the comparable State Department allowances and how much more?

Answer. Only one position, that of the President of RFE/RL, exceeds the Federal ceiling. His salary is $95,000 p.a.

When the GAO made its study of RFE/RL operations two years ago, it cited a Post Allowance of $17,400 for an employee with two family members making $50,000. Today, however, that same employee is only receiving a Post Allowance of $3,225. This is due to the strong dollar prevailing on European money markets over the past eighteen months.

Based on December 1982 exchange rate for Munich, Germany, the 20 percent State Department Post Classification is applicable for Germany. There are some GS Scale employees of RFE/RL who are currently being paid a Post Allowance (according to the aforementioned formula) which is less than the amounts cited in the 20 percent column of the State Department tables. There are 54 employees whose current Post Allowance exceeds the 20 percent by amounts ranging from $606 to $4,182.

In 1981 RFE/RL increased its housing allowances by 10 percent. This was the first adjustment of the allowances since 1974. RFE/RL housing allowances remain appreciably below housing allowance scales used by State Department. Thus, the 252 RFE/RL employees who at end of November 1982 were receiving housing allowances do not receive more than comparable State Department employees.

There are currently 395 RFE/RL employees living in company-provided (leased) quarters. Using State Department housing allowances, applicable in instances when Government-leased quarters are not available, only four employees exceed comparable State Department amounts.

With regard to both post and housing allowances, it should be remembered that RFE/RL employees are not entitled to use the U.S. commissaries and post exchanges.

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., December 10, 1982.

Mr. FRANK SHAKESPEARE,
Chairman, Board for International Broadcasting,
Washington, D.C.

DEAR MR. SHAKESPEARE: The answers to my question submitted on December 6, 1982, were, in my view, incomplete.

I asked: "Do the salaries of any RFE/RL employee, including the President, exceed the Federal ceiling? If so, which employees receive more than the ceiling and how much more do they receive? What is the justification for this?"

Your answer did not include the justification for raising the President's salary from the ceiling level to $95,000. I would appreciate getting this justification.

I would also like to know what benefits and perquisites Mr. Buckley will receive as RFE/RL President. In particular, I would like to know the amount of all allowances Mr. Buckley will receive including housing, post, and educational allowances; the value of any government housing provided Mr. Buckley including maintenance costs; the salaries and expenses for any household staff provided Mr. Buckley; the annual cost of any car and chauffeur provided Mr. Buckley; the amount of entertainment or representational funds made available to Mr. Buckley; and the number and value of any non-official government trips. I would appreciate an item-by-item comparison of Mr. Buckley's salary, benefits and perquisites with those of his predecessor, Mr. Ferguson.

The second part of my question was: "Do the post and housing alowances for any RFE/RL employees exceed those that would be available to U.S. diplomats at the comparable salary level stationed in the same post? If so, which employees receive more than the comparable State Department allowances and how much more? What is the justification for this?

I would like the names and positions of each employee whose housing and post allowance exceeds the allowances available to U.S. foreign services officers at the comparable salary level, along with the amounts of those housing and post allowances. I would also like the names of any employees who receive any other allowances or benefits (e.g. educational, representational) in excess of the comparable State Department allowance along with the amount of the allowance. I would also appreciate receiving the State Department allowances for comparison purposes.

Third, I would like to know whether Mr. Buckley's contract includes a provision for deferred compensation or benefits of any kind and, if so, the amount of the deferred compensation and benefits. I would also like to know if Mr. Buckley's contract provides any salary increases in future years and the amount of such salary increases.

I would appreciate receiving this information prior to the Committee's meeting of Tuesday, December 14, so as to facilitate consideration of S. 3052.

With best wishes,
Sincerely,

EDWARD ZORINSKY, *U.S. Senator.*

BOARD FOR INTERNATIONAL BROADCASTING,
Washington, D.C., December 14, 1982.

Hon. CHARLES H. PERCY,
Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR SENATOR PERCY: This is in answer to your letter of December 10 to Mr. Shakespeare in which you asked specific questions regarding James Buckley's salary and benefits.

Since Mr. Shakespeare is detained in New York, I am taking the liberty of enclosing our reply to Senator Zorinsky which we believe answers all the questions raised in your letter.

Sincerely yours,

BEN WATTENBERG, *Vice Chairman.*

Enclosure.

BOARD FOR INTERNATIONAL BROADCASTING,
Washington, D.C., December 13, 1982.

Hon. EDWARD ZORINSKY,
Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR SENATOR ZORINSKY: This is in reply to your letter of December 10, in which you asked specific questions regarding RFE/RL salaries and allowances.

First let us address the justification for the President's salary:

For many months during the deliberations about the Pell Amendment and prior to engaging Jim Buckley as President, we on the Board had attempted to assess the general situation of the Radios. Our sense of the matter was that although there had been much talk around Washington for a number of years about "the contest of ideas", there had been little change in the ability of the U.S. to engage effectively in that contest. It was our feeling as a Board that the most important single decision we were likely to make to help the Radios in this contest involved the selection and hiring of a new President for the Radios. It was our feeling that the ideal choice for this position should be a person of national and international stature and reputation. This, we felt, would send a signal to to the Soviets, to the East European countries, to our West European allies, to our staff in Munich and to Americans that this "contest of ideas" was a serious matter worthy of the attention of the best people America could bring forth. As you know, the pool of such individuals is small indeed.

Frank Shakespeare had a sense that Jim Buckley was preparing to leave Government service. As you know, Mr. Buckley had served as a U.S. Senator from New York, as Under Secretary of State for Security Assistance and Counselor of the State Department. He surely was one of the few people who met the criteria we had established for this position. Our feel-

ing was that a man of Mr. Buckley's prominence and achievements would be much sought after in the private sector at a wage far in excess of anything we could hope to match. However, we thought that if we could make the job of President of RFE/RL more financially attractive than it was under our previous President, we might have a better chance of securing Buckley for the job. We met as a Board and decided in a general way to put together a compensation package that might make the position attractive to Buckley. Tom Quinn, a Board Member and Washington attorney, was assigned the task of designing a specific offer. When it was presented to Buckley, he accepted it without any changes. We might add that among almost 1700 employees, Buckley's is the only position that exceeds the GS scale.

Jim Buckley has been working for RFE/RL since November 1 and in our opinion has already justified our original view about the criteria for this position. Our Munich staff is delighted that their operation is being headed by someone who is sufficiently prominent to draw attention to the legitimate needs of a service that is perhaps the point-of-the-lance in the "contest of ideas". Moreover, we have seen that, in Washington, President Buckley is a man who can command attention to both the problems and the prospects of the Radios.

With reference to your specific questions:

1. Housing: No accommodation has yet been secured for the President of RFE/RL. When housing will become available, the Board will assess its appropriateness. In any event, the style of accommodation will not exceed that of the Counsul General. The house occupied by the previous President of RFE/RL is no longer available because the German owner re-took possession.

2. Post allowance: In addition to the post allowance which will be in conformity with the State Department post allowance, the President, like his predecessor, will also receive a Presidential allowance. In Buckley's instance, the combination of both sums is $25.000.

3. Educational allowance: No educational allowance is envisaged.

4. As to salaries and expenses for household staff, it is envisaged that one individual will be hired.

5. The annual cost of a car and driver is difficult to estimate inasmuch as a car and driver will be available to the President out of the RFE/RL motor pool.

6. RFE/RL have available representational funds worldwide in the amount of $46,000 and the President will share in the utilization of this fund. No specific sum has been allocated to him.

7. Number and value of any non-official government trips: None.

8. Because on some matters it would be difficult to make item-by-item comparisons between Buckley's compensation and Ferguson's, please find enclosed for your perusal a copy of Ferguson's contract.

9. As to your question regarding deferred conpensation and benefits, an amount equal to 20 percent of his base salary

will be put in a tax deferred annuity account, in lieu of any pension plan.

10. No provision has ben made for any salary increases in future years.

With regard to your question regarding post and housing allowances for other RFE/RL employees, please find enclosed a detailed memorandum provided by RFE/RL which, we believe, is fully responsive to your inquiry. We also enclose the State Department post allowance payment tables which you requested.

This letter has the full concurrence of our Chairman, Mr. Frank Shakespeare, who is detained in New York and hence cannot sign this response.

Sincerely,

BEN WATTENBERG,
Vice Chairman.

THOMAS H. QUINN,
Member.

Enclosures.

REPLY TO SECOND PART OF QUESTION POSED BY SENATOR EDWARD ZORINSKY

Question. Do the post and housing allowances for any RFE/RL employees exceed those that would be available to U.S. diplomats at the comparable salary level stationed in the same post? If so, which employees receive more than the comparable State Department allowances and how much more? What is the justification for this?

I would like the names and positions of each employee whose housing and post allowance exceeds the allowances available to U.S. foreign services officers at the comparable salary level, along with the amounts of those housing and post allowances. I would also like the names of any employees who receive any other allowances or benefits (e.g. educational, representational) in excess of the comparable State Department allowance along with the amount of the allowance. I would also appreciate receiving the State Department allowances for comparison purposes.

Answer. A. *Post Allowances.*—As of October 1, 1978, RFE/RL went on record that its GS Scale employees are DM paid and are to be guaranteed an annual salary expressed in Deutsche Marks. The formula at that time was based on an employee's salary plus the 100 percent column of the newly published State Department tables (see attached) multiplied by the then prevailing budget rate of DM 2.11.

In order to maintain the guaranteed DM salaries of GS Scale employees, it has been necessary, over the past four years, to adjust the Post Allowance either upwards or downwards depending on the strength of the U.S. Dollar in Europe.

When the GAO made its study of RFE/RL operations two years ago it cited a Post Allowance of $17,400 for an employee with two family members making $50,000. Today, however, that same employee is only receiving a Post Allowance of $3,225. This is due to the strong Dollar prevailing on European money markets over the past 18 months.

Based on December 1982 exchange rate for Munich, Germany, the 20 percent State Department Post Classification is applicable for Germany. There are some GS Scale employees of RFE/RL who are currently being paid a Post Allowance (according to the aforementioned formula) which is less than the amounts cited in the 20 percent column of the State Department tables.

The following shows only those employees whose current Post Allowance exceeds the 20 percent column and the amount of excess in each case:

Name/Position	RFE/RL post allowance	State Department allowance	Post allowance in excess of State Department
Tymczenko, George, Program Specialist B	$5,220	$2,080	$3,140
Demarest, Richard, Program Prod. Adv	6,038	2,300	3,738
Cummings, Richard, Director, Security Services	6,579	3,000	3,579
Martin, Claude, Manager, Computer Center	5,709	2,760	2,949
Zuber, Natalie, Administrative Assistant	5,535	3,115	2,420
Dreving-Monditsche, Victoria, Program Specialist B	5,290	2,200	3,090
Bachstein, Martin, Assistant Director, Broadcast Analyst	6,500	3,440	3,060
Fox, Leonard, Assistant Program Manager—RLD	6,042	3,000	3,042
Klotz, Rolf-Michael, Assistant Director Security	5,612	2,600	3,012
Leder, Arnold, Deputy Assistant Program Manager—RLD	5,642	2,660	2,982
Georgescu, Vlad, Associate Director, Romanian Service	5,817	3,060	2,757
Reece, William, Assistant Program Manager—RLD	5,566	3,100	2,466
Sharia, Nougzar, Program Specialist B	4,440	2,040	2,400
Shepko, Anna, Program Specialist B	4,634	2,300	2,334
Brumbaugh, James, Deputy Assistant Program Manager—RLD	5,172	2,540	2,632
Schultz, Linda, Secretary A	4,104	1,640	2,464
Solchanyk, Roman, Research Analyst	4,178	1,940	2,238
De Weydenthal, Jan, Special Assistant to Director RFED Reseach	4,921	2,800	2,121
Hutchings, Robert, Deputy Director—RFED	5,535	3,420	2,115
Devlin, James, Special Assistant to Director RFED Reseach	5,732	3,680	2,052
Kamal-Haller, Tura, Program Specialist C	3,946	1,960	1,986
Pomar, Mark, Assistant Director Russian Service	4,466	2,480	1,986
Robinson, William, Assistant Director RFED Reseach	5,188	3,220	1,968
Pennar, Jan, Program Manager—RLD	4,335	2,900	1,435
Herus, Mykola, Program Manager—RLD	5,133	3,360	1,773
Sednew, Masej, Chief Editor, Belorrussian Service	4,532	2,900	1,632
Keeri-Santo, Emery, Deputy Director, EEAOR	4,359	2,760	1,599
Wantula, Wladislaw, Assistant Director Police Service	4,374	2,820	1,554
Wall, Richard, Chief, Bonn News Bureau	4,809	3,300	1,509
Mahoney, William, Information Service Officer	4,548	2,820	1,728
Andras, Charles, Deputy Director RFED Reseach	4,340	2,960	1,380
Bungs, Dzintra, Broadcast Analyst	3,488	2,120	1,368
Panoff, Kyrill, Deputy Director Bulgarian Service	4,590	3,300	1,290
Rudnik, Galina, Production Manager Russian Service	4,638	3,360	1,278
Kardashinetz, Imre, Assistant to Director, Broadcast Analyst	3,456	2,280	1,176
Bergstrom, Theodore, Associate Manager Engineering Maintenance	4,548	3,380	1,168
Von Doemming, Elizabeth, Assistant Director RLD Research	3,608	2,360	1,248
Wiley, Julia, Assistant Director News	3,307	2,200	1,107
Najder, Zdazislaw, Director, Polish Service	4,440	3,020	1,420
Wiest, Richard, Assistant Director Personnel	3,603	2,580	1,023
Moore, Patrick, Special Assistant to Director RFED Reseach	3,122	2,120	1,002
Zizka, Dennis, Assistant Director, Czechoslovak Service	3,471	2,520	951
Schneider, Josef, Acting Director, Czechoslovak Service	3,849	2,680	1,169
Colby, Bernice, Budget Officer	3,152	2,360	792
Batdorf, Harold, Director Personnel	4,173	3,660	513
Kluehe, Willi, Project Engineer	3,626	3,020	606
Griffiths, Albert, Deputy Director News	3,626	3,020	606
Belak-Berger, Karol, Deputy Director Czechoslovak Service	3,282	2,820	462
Fallis, Hugh, V.P., Engineering Technical Operations	3,543	3,140,	403
Zaharieff, Met-odi, Director Bulgarian Service	3,524	3,140	384

Name/Position	RFE/RL post allowance	State Department allowance	Post allowance in excess of State Department
Reed, Herbert, Director RFED Research	3,804	3,480	324
Von Doemming, Gerd, Acting Director Russian Service	3,846	3,020	826
Tanksley, Jewell, Manager Studio Operations	3,760	3,520	240
Steele, Varick, Deputy Director (Engineering) for Administration	3,894	3,660	234
Dornan, Peter, Chief Samizdat Staff	2,775	2,580	195
Perry, George, Broadcast Analyst	2,552	2,360	162
Harrington, Edmund, Manager for Engineering Maintenance	2,733	2,680	53

The following shows only those employees whose current Post Allowance is less than the 20 percent column and the amount under in each case:

Name/Postion	RFE/RL post allowance	State Department allowance	Post allowance under State Department
Redlich, Robert, Director Public Affairs	$2,778	$3,140	$362
Poole, A. Russell, Director Administration	3,225	3,480	255
Breen, Robert, Director Financial Management	3,546	4,000	454
Busch, Hyman, Director General Services	2,829	3,140	311
Brown, James, Director—RFED	3,462	3,660	198
Chciuk-Celt, Tadeusz, Deputy Director, Polish Service	2,088	2,680	592
Krzeczunowicz, Andrezej, Assistant Director Polish Service	2,832	3,140	308
Bailey, George, Director—RLD	3,069	3,140	71
Sultan, Garip, Chief Editor, Tartar-Bashkir	2,841	3,080	239
Bush, Keith, Director RLD Research	3,303	3,660	357
Lyon, Samuel, Director, Broadcast Anal.	3,441	3,660	219
Lodeesen, Jon, Deputy Director, Broadcast Analyst	3,090	3,480	390
Hart, Henry. Director, EEAOR	3,075	3,660	585
Edwards, James, Director, News	2,559	3,140	581

B. *Housing Allowances.*—In 1981 RFE/RL increased its housing allowances by 10 percent. This was the first adjustment of the allowances since 1974. RFE/RL housing allowances remain appreciably below housing allowance scales used by State Department. Thus, the 252 RFE/RL employees who at end of November 1982 were receiving housing allowances do not exceed those available to comparable State Department employees. There are currently 395 RFE/RL employees living in company-provided (leased) quarters. Based on State Department quarters allowances, an employee with one family member in Quaters Class Group 2 (employees earning between $40,000 and $60,000 annually) would be entitled to $7,400 for housing and may be reimbursed for additional housing costs up to 50 percent more. This would give then $11,100 for an annual allowance. For employees who have larger families, the maximum annual allowances for two person families are increased by 10 percent for a three to four person family. Thus for a 3-4 person family we have $7,400 plus $3,700 (50 percent) plus $740 (10 percent) for a total of $11,840.

Reasons for maintaining company quarters are contained in the 1981 GAO Report. Among those reasons are: (a) because there continues to be a severe housing shortage in the Munich area; (b) because of a reluctance on the part of German landlords to rent to foreigners; (c) because of the need to guarantee company-provided

housing when applying to appropriate German authorities for work and residence permits for foreigners being brought into the country to accept employment with RFE/RL.

Using State Department housing allowances, applicable in instances when Government-leased quarters are not available, the following employees exceed comparable State Department amounts:

Name/Position	RFE/RL housing cost	State Department allowance	Housing cost in excess of State Department
Lyon, Samuel, Director, Broadcast Analysis Department	$14,482	$11,840	$2,642
Breen, Robert, Director, Financial Management	12,854	11,840	1,014
Zaharieff, Methodi, Director, Bulgarian Service	11,742	11,100	642
Fallis, Hugh, Vice President, Engineering and Technical Operations	11,490	11,100	390

Note: Housing occupied by employees Samuel Lyon and Robert Breen have been leased by RFE/RL since the mid-fifties and are used for families with large number of dependents. Hugh Fallis has a recent lease which reflects the higher costs for Munich housing.

RFE/RL employees are not Federal employees. RFE/RL has no access to Government-leased quarters. Consequently, in leasing housing for its employees, RFE/RL must compete in the high-cost, low-availability housing market in Munich.

With regard to both post and housing allowances, in making comparisons with State Department Allowances, it should be remembered that RFE/RL employees, as cited in the referenced GAO Report, are not entitled to use the U.S. commissaries and post exchanges to purchase food and clothing and obtain such services such as medical, dental and car (gasoline) repair.

There are no other allowances or benefits (e.g. educational, representational) that are in excess of the comparable State Department allowances.

TELEGRAM

P76 : 04-1472

HANDLING	CLASSIFICATION	MESSAGE REFERENCE NO.
PRIORITY	UNCLASSIFIED	A-2428

TO: ALL DIPLOMATIC AND CONSULAR POSTS

RFC BANGKOK and RFC PARIS

1978 JUL -6 AM 10:07

FROM: Department of State (A/ALS) DATE:

E.O. 11652: N/A
TAGS: ALOW
SUBJECT: Advance Notice of Revision of Post Allowance Payment Tables
REF: Subchapter 220, Sections 913 and 941 (6 Tables), Standardized Regulations (GC,FA); State 146476 (6-9-78)

DEPT. DISTRIBUTION

ORIGIN/ACTION: A/ALS

AF ✓	ARA ✓	CU	EA ✓
EB	EUR ✓	INR	IO ✓
L	NEA ✓	PER ✓	PM
REP	SCI	SS	SY
	OCT ✓	VANFLE ✓	OCT ✓
AGR	AID	AIR	ARMY
CIA	COM	DOD	DOT
FRB	HEW	INT	LAB
NAVY	NSA	NSC	OPIC
STR	TAR	TRSY	USIA
XMB			

SUGGESTED DISTRIBUTION: SEE PAGE 2.

1. Posts have already been informed of the following revision of the post allowance and the detailed reasons why this is necessary. (See State Telegram 146476 (6-9-78.)

2. The effective date of the revised tables of payment and other text revisions is August 27, 1978 (TL:SR-302).

3. The revised tables and other revisions have been reviewed by appropriate Department offices and by those Washington agencies with large numbers of employees in foreign areas. Formal approval was given by the Assistant Secretary for Administration on July 3, 1978.

4. So that affected posts and employees of all agencies may become familiar with the new tables in advance of the effective date, a set of tables and temporary annotated pages to the narrative regulations are attached. Printed pages and tables will be published in TL:SR-302.

1978 JUL 6 PM 3 40

UNCLASSIFIED
CLASSIFICATION

DRAFTED BY:	DRAFTING DATE	PHONE NO.	CONTENTS AND CLASSIFICATION APPROVED BY:
A/ALS:RRStormer:grh	6-27-78	59466	A/ALS - Walter F. Weiss

CLEARANCES:
A - John M. Thomas (by signed authorization)

FORM DS-323
11-72

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940 COST-OF-LIVING ALLOWANCES
941 Post Allowances

941.1 Post Allowance Payment Tables (SIX TABLES)

TABLE 1: EMPLOYEE WITHOUT FAMILY

ANNUAL RATES

Salary	Post Classification 5	10	15	20	25	30	35	42	50	60	70	80	90	100
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
EMPLOYEE WITHOUT FAMILY														
$50,000 & Over	695	1390	2085	2780	3475	4170	4865	5838	6950	8340	9730	11120	12510	13900
48,000 - 49,999	685	1370	2055	2740	3425	4110	4795	5754	6850	8220	9590	10960	12330	13700
46,000 - 47,999	670	1340	2010	2680	3350	4020	4690	5628	6700	8040	9380	10720	12060	13400
44,000 - 45,999	660	1320	1980	2640	3300	3960	4620	5544	6600	7920	9240	10560	11880	13200
42,000 - 43,999	645	1290	1935	2580	3225	3870	4515	5418	6450	7740	9030	10320	11610	12900
40,000 - 41,999	630	1260	1890	2520	3150	3780	4410	5292	6300	7560	8820	10080	11340	12600
38,000 - 39,999	610	1220	1830	2440	3050	3660	4270	5124	6100	7320	8540	9760	10980	12200
36,000 - 37,999	590	1180	1770	2360	2950	3540	4130	4956	5900	7080	8260	9440	10620	11800
34,000 - 35,999	570	1140	1710	2280	2850	3420	3990	4788	5700	6840	7980	9120	10260	11400
32,000 - 33,999	550	1100	1650	2200	2750	3300	3850	4620	5500	6600	7700	8800	9900	11000
30,000 - 31,999	530	1060	1590	2120	2650	3180	3710	4452	5300	6360	7420	8480	9540	10600
28,000 - 29,999	510	1020	1530	2040	2550	3060	3570	4284	5100	6120	7140	8160	9180	10200
26,000 - 27,999	485	970	1455	1940	2425	2910	3395	4074	4850	5820	6790	7760	8730	9700
24,000 - 25,999	460	920	1380	1840	2300	2760	3220	3864	4600	5520	6440	7360	8280	9200
22,000 - 23,999	435	870	1305	1740	2175	2610	3045	3654	4350	5220	6090	6960	7830	8700
20,000 - 21,999	410	820	1230	1640	2050	2460	2870	3444	4100	4920	5740	6560	7380	8200
18,000 - 19,999	385	770	1155	1540	1925	2310	2695	3234	3850	4620	5390	6160	6930	7700
16,000 - 17,999	355	710	1065	1420	1775	2130	2485	2982	3550	4260	4970	5680	6390	7100
14,000 - 15,999	325	650	975	1300	1625	1950	2275	2730	3250	3900	4550	5200	5850	6500
12,000 - 13,999	290	580	870	1160	1450	1740	2030	2436	2900	3480	4060	4640	5220	5800
10,000 - 11,999	260	520	780	1040	1300	1560	1820	2184	2600	3120	3640	4160	4680	5200
8,000 - 9,999	230	460	690	920	1150	1380	1610	1932	2300	2760	3220	3680	4140	4600
6,000 - 7,999	195	390	585	780	975	1170	1365	1638	1950	2340	2730	3120	3510	3900
under 6,000	165	330	495	660	825	990	1155	1386	1650	1980	2310	2640	2970	3300

For explanation see section 913

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941.1 Post Allowance Payment Tables (SIX TABLES)

TABLE 2: EMPLOYEE WITH ONE FAMILY ME:

ANNUAL RATES

Salary	Post Classification													
	5	10	15	20	25	30	35	42	50	60	70	80	90	100
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
	EMPLOYEE WITH ONE FAMILY MEMBER													
$50,000 & Over	785	1570	2355	3140	3925	4710	5495	6594	7850	9420	10990	12560	14130	1570
48,000 - 49,999	770	1540	2310	3080	3850	4620	5390	6468	7700	9240	10780	12320	13860	1540
46,000 - 47,999	755	1510	2265	3020	3775	4530	5285	6342	7550	9060	10570	12080	13590	1510
44,000 - 45,999	740	1480	2220	2960	3700	4440	5180	6216	7400	8880	10360	11840	13320	1480
42,000 - 43,999	725	1450	2175	2900	3625	4350	5075	6090	7250	8700	10150	11600	13050	1450
40,000 - 41,999	705	1410	2115	2820	3525	4230	4935	5922	7050	8460	9870	11280	12690	1410
38,000 - 39,999	690	1380	2070	2760	3450	4140	4830	5796	6900	8280	9660	11040	12420	1380
36,000 - 37,999	665	1330	1995	2660	3325	3990	4655	5586	6650	7980	9310	10640	11970	1330
34,000 - 35,999	645	1290	1935	2580	3225	3870	4515	5418	6450	7740	9030	10320	11610	1290
32,000 - 33,999	620	1240	1860	2480	3100	3720	4340	5208	6200	7440	8680	9920	11160	1240
30,000 - 31,999	600	1200	1800	2400	3000	3600	4200	5040	6000	7200	8400	9600	10800	1200
28,000 - 29,999	570	1140	1710	2280	2850	3420	3990	4788	5700	6840	7980	9120	10260	1140
26,000 - 27,999	550	1100	1650	2200	2750	3300	3850	4620	5500	6600	7700	8800	9900	1100
24,000 - 25,999	520	1040	1560	2080	2600	3120	3640	4368	5200	6240	7280	8320	9360	1040
22,000 - 23,999	490	980	1470	1960	2450	2940	3430	4116	4900	5880	6860	7840	8820	980
20,000 - 21,999	465	930	1395	1860	2325	2790	3255	3906	4650	5580	6510	7440	8370	930
18,000 - 19,999	430	860	1290	1720	2150	2580	3010	3612	4300	5160	6020	6880	7740	860
16,000 - 17,999	400	800	1200	1600	2000	2400	2800	3360	4000	4800	5600	6400	7200	800
14,000 - 15,999	365	730	1095	1460	1825	2190	2555	3066	3650	4380	5110	5840	6570	730
12,000 - 13,999	330	660	990	1320	1650	1980	2310	2772	3300	3960	4620	5280	5940	660
10,000 - 11,999	290	580	870	1160	1450	1740	2030	2436	2900	3480	4060	4640	5220	580
8,000 - 9,999	255	510	765	1020	1275	1530	1785	2142	2550	3060	3570	4080	4590	510
6,000 - 7,999	220	440	660	880	1100	1320	1540	1848	2200	2640	3080	3520	3960	440
under 6,000	185	370	555	740	925	1110	1295	1554	1850	2220	2590	2960	3330	370

For explanation see section 913

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941.1 Post Allowance Payment Tables (SIX TABLES) TABLE 3: EMPLOYEE WITH TWO FAMILY MEM.

ANNUAL RATES

Salary	Post Classification 5	10	15	20	25	30	35	42	50	60	70	80	90	100
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
EMPLOYEE WITH TWO FAMILY MEMBERS														
$50,000 & Over	870	1740	2610	3480	4350	5220	6090	7308	8700	10440	12180	13920	15660	17400
48,000 - 49,999	855	1710	2565	3420	4275	5130	5985	7182	8550	10260	11970	13680	15390	17100
46,000 - 47,999	840	1680	2520	3360	4200	5040	5880	7056	8400	10080	11760	13440	15120	16800
44,000 - 45,999	825	1650	2475	3300	4125	4950	5775	6930	8250	9900	11550	13200	14850	16500
42,000 - 43,999	805	1610	2415	3220	4025	4830	5635	6762	8050	9660	11270	12880	14490	16100
40,000 - 41,999	785	1570	2355	3140	3925	4710	5495	6594	7850	9420	10990	12560	14130	15700
38,000 - 39,999	765	1530	2295	3060	3825	4590	5355	6426	7650	9180	10710	12240	13770	15300
36,000 - 37,999	740	1480	2220	2960	3700	4440	5180	6216	7400	8880	10360	11840	13320	14800
34,000 - 35,999	715	1430	2145	2860	3575	4290	5005	6006	7150	8580	10010	11440	12870	14300
32,000 - 33,999	690	1380	2070	2760	3450	4140	4830	5796	6900	8280	9660	11040	12420	13800
30,000 - 31,999	665	1330	1995	2660	3325	3990	4655	5586	6650	7980	9310	10640	11970	13300
28,000 - 29,999	635	1270	1905	2540	3175	3810	4445	5334	6350	7620	8890	10160	11430	12700
26,000 - 27,999	605	1210	1815	2420	3025	3630	4235	5082	6050	7260	8470	9680	10890	12100
24,000 - 25,999	575	1150	1725	2300	2875	3450	4025	4830	5750	6900	8050	9200	10350	11500
22,000 - 23,999	545	1090	1635	2180	2725	3270	3815	4578	5450	6540	7630	8720	9810	10900
20,000 - 21,999	515	1030	1545	2060	2575	3090	3605	4326	5150	6180	7210	8240	9270	10300
18,000 - 19,999	480	960	1440	1920	2400	2880	3360	4032	4800	5760	6720	7680	8640	9600
16,000 - 17,999	445	890	1335	1780	2225	2670	3115	3738	4450	5340	6230	7120	8010	8900
14,000 - 15,999	405	810	1215	1620	2025	2430	2835	3402	4050	4860	5670	6480	7290	8100
12,000 - 13,999	365	730	1095	1460	1825	2190	2555	3066	3650	4300	5110	5840	6570	7300
10,000 - 11,999	325	650	975	1300	1625	1950	2275	2730	3250	3900	4550	5200	5850	6500
8,000 - 9,999	285	570	855	1140	1425	1710	1995	2394	2850	3420	3990	4560	5130	5700
6,000 - 7,999	245	490	735	980	1225	1470	1715	2058	2450	2940	3430	3920	4410	4900
under 6,000	205	410	615	820	1025	1230	1435	1722	2050	2460	2870	3280	3690	4100

For explanation see section 913

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941.1 Post Allowance Payment Tables (SIX TABLES)

TABLE 4: EMPLOYEE WITH THREE FAMILY MEMB

ANNUAL RATES

Salary	Post Classification													
	5	10	15	20	25	30	35	42	50	60	70	80	90	100
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
EMPLOYEE WITH THREE FAMILY MEMBERS														
$50,000 & Over	915	1830	2745	3660	4575	5490	6405	7686	9150	10980	12810	14640	16470	18300
48,000 - 49,999	900	1800	2700	3600	4500	5400	6300	7560	9000	10800	12600	14400	16200	18000
46,000 - 47,999	880	1760	2640	3520	4400	5280	6160	7392	8800	10560	12320	14080	15840	17600
44,000 - 45,999	865	1730	2595	3460	4325	5190	6055	7266	8650	10380	12110	13840	15570	17300
42,000 - 43,999	845	1690	2535	3380	4225	5070	5915	7098	8450	10140	11830	13520	15210	16900
40,000 - 41,999	825	1650	2475	3300	4125	4950	5775	6930	8250	9900	11550	13200	14850	16500
38,000 - 39,999	805	1610	2415	3220	4025	4830	5635	6762	8050	9660	11270	12880	14490	16100
36,000 - 37,999	775	1550	2325	3100	3875	4650	5425	6510	7750	9300	10850	12400	13950	15500
34,000 - 35,999	750	1500	2250	3000	3750	4500	5250	6300	7500	9000	10500	12000	13500	15000
32,000 - 33,999	725	1450	2175	2900	3625	4350	5075	6090	7250	8700	10150	11600	13050	14500
30,000 - 31,999	700	1400	2100	2800	3500	4200	4900	5880	7000	8400	9800	11200	12600	14000
28,000 - 29,999	665	1330	1995	2660	3325	3990	4655	5586	6650	7980	9310	10640	11970	13300
26,000 - 27,999	635	1270	1905	2540	3175	3810	4445	5334	6350	7620	8890	10160	11430	12700
24,000 - 25,999	605	1210	1815	2420	3025	3630	4235	5082	6050	7260	8470	9680	10890	12100
22,000 - 23,999	570	1140	1710	2280	2850	3420	3990	4788	5700	6840	7980	9120	10260	11400
20,000 - 21,999	540	1080	1620	2160	2700	3240	3780	4536	5400	6480	7560	8640	9720	10800
18,000 - 19,999	505	1010	1515	2020	2525	3030	3535	4242	5050	6060	7070	8080	9090	10100
16,000 - 17,999	465	930	1395	1860	2325	2790	3255	3906	4650	5580	6510	7440	8370	9300
14,000 - 15,999	425	850	1275	1700	2125	2550	2975	3570	4250	5100	5950	6800	7650	8500
12,000 - 13,999	385	770	1155	1540	1925	2310	2695	3234	3850	4620	5390	6160	6930	7700
10,000 - 11,999	340	680	1020	1360	1700	2040	2300	2856	3400	4080	4760	5440	6120	6800
8,000 - 9,999	300	600	900	1200	1500	1800	2100	2520	3000	3600	4200	4800	5400	6000
6,000 - 7,999	255	510	765	1020	1275	1530	1785	2142	2550	3060	3570	4080	4590	5100
under 6,000	215	430	645	860	1075	1290	1505	1806	2150	2580	3010	3440	3870	4300

For explanation see section 913

8-27-78

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§41.1 Post Allowance Payment Tables (SIX TABLES)

TABLE 5: EMPLOYEE WITH FOUR FAMILY MEM

ANNUAL RATES

Salary	Post Classification 5	10	15	20	25	30	35	42	50	60	70	80	90	100
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
EMPLOYEE WITH FOUR FAMILY MEMBERS														
$50,000 & Over	1000	2000	3000	4000	5000	6000	7000	8400	10000	12000	14000	16000	18000	20000
48,000 - 49,999	985	1970	2955	3940	4925	5910	6895	8274	9850	11820	13790	15760	17730	19700
46,000 - 47,999	965	1930	2895	3860	4825	5790	6755	8106	9650	11580	13510	15440	17370	19300
44,000 - 45,999	950	1900	2850	3800	4750	5700	6650	7980	9500	11400	13300	15200	17100	19000
42,000 - 43,999	925	1850	2775	3700	4625	5550	6475	7770	9250	11100	12950	14800	16650	18500
40,000 - 41,999	905	1810	2715	3620	4525	5430	6335	7602	9050	10860	12670	14480	16290	18100
38,000 - 39,999	880	1760	2640	3520	4400	5280	6160	7392	8800	10560	12320	14080	15840	17600
36,000 - 37,999	850	1700	2550	3400	4250	5100	5950	7140	8500	10200	11900	13600	15300	17000
34,000 - 35,999	820	1640	2460	3280	4100	4920	5740	6888	8200	9840	11480	13120	14760	16400
32,000 - 33,999	795	1590	2385	3180	3975	4770	5565	6678	7950	9540	11130	12720	14310	15900
30,000 - 31,999	765	1530	2295	3060	3825	4590	5355	6426	7650	9180	10710	12240	13770	15300
28,000 - 29,999	730	1460	2190	2920	3650	4380	5110	6132	7300	8760	10220	11680	13140	14600
26,000 - 27,999	695	1390	2085	2780	3475	4170	4865	5838	6950	8340	9730	11120	12510	13900
24,000 - 25,999	660	1320	1980	2640	3300	3960	4620	5544	6600	7920	9240	10560	11880	13200
22,000 - 23,999	625	1250	1875	2500	3125	3750	4375	5250	6250	7500	8750	10000	11250	12500
20,000 - 21,999	590	1180	1770	2360	2950	3540	4130	4956	5900	7080	8260	9440	10620	11800
18,000 - 19,999	550	1100	1650	2200	2750	3300	3850	4620	5500	6600	7700	8800	9900	11000
16,000 - 17,999	510	1020	1530	2040	2550	3060	3570	4284	5100	6120	7140	8160	9180	10200
14,000 - 15,999	465	930	1395	1860	2325	2790	3255	3906	4650	5580	6510	7440	8370	9300
12,000 - 13,999	420	840	1260	1680	2100	2520	2940	3528	4200	5040	5880	6720	7560	8400
10,000 - 11,999	375	750	1125	1500	1875	2250	2625	3150	3750	4500	5250	6000	6750	7500
8,000 - 9,999	330	660	990	1320	1650	1980	2310	2772	3300	3960	4620	5280	5940	6600
6,000 - 7,999	280	560	840	1120	1400	1680	1960	2352	2800	3360	3920	4480	5040	5600
under 6,000	235	470	705	940	1175	1410	1645	1974	2350	2820	3290	3760	4230	4700

For explanation see section 911

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941.1 Post Allowance Payment Tables (SIX TABLES)

TABLE 6: EMPLOYEE WITH FIVE OR MORE FAMI... members

ANNUAL RATES

Salary	Post Classification 5	10	15	20	25	30	35	42	50	60	70	80	90	100
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
EMPLOYEE WITH FIVE OR MORE FAMILY MEMBERS														
$50,000 & Over	1045	2090	3135	4180	5225	6270	7315	8770	10450	12540	14630	16720	18810	20900
48,000 - 49,999	1025	2050	3075	4100	5125	6150	7175	8610	10250	12300	14350	16400	18450	20500
46,000 - 47,999	1010	2020	3030	4040	5050	6060	7070	8484	10100	12120	14140	16160	18180	20200
44,000 - 45,999	990	1980	2970	3960	4950	5940	6930	8316	9900	11880	13860	15840	17820	19800
42,000 - 43,999	965	1930	2895	3860	4825	5790	6755	8106	9650	11580	13510	15440	17370	19300
40,000 - 41,999	940	1880	2820	3760	4700	5640	6580	7896	9400	11280	13160	15040	16920	18800
38,000 - 39,999	920	1840	2760	3680	4600	5520	6440	7728	9200	11040	12880	14720	16560	18400
36,000 - 37,999	890	1780	2670	3560	4450	5340	6230	7476	8900	10680	12460	14240	16020	17800
34,000 - 35,999	860	1720	2580	3440	4300	5160	6020	7224	8600	10320	12040	13760	15480	17200
32,000 - 33,999	830	1660	2490	3320	4150	4980	5810	6972	8300	9960	11620	13280	14940	16600
30,000 - 31,999	800	1600	2400	3200	4000	4800	5600	6720	8000	9600	11200	12800	14400	16000
28,000 - 29,999	760	1520	2280	3040	3800	4560	5320	6384	7600	9120	10640	12160	13680	15200
26,000 - 27,999	725	1450	2175	2900	3625	4350	5075	6090	7250	8700	10150	11600	13050	14500
24,000 - 25,999	690	1380	2070	2760	3450	4140	4830	5796	6900	8280	9660	11040	12420	13800
22,000 - 23,999	655	1310	1965	2620	3275	3930	4585	5502	6550	7860	9170	10480	11790	13100
20,000 - 21,999	620	1240	1860	2480	3100	3720	4340	5208	6200	7440	8680	9920	11160	12400
18,000 - 19,999	575	1150	1725	2300	2875	3450	4025	4830	5750	6900	8050	9200	10350	11500
16,000 - 17,999	535	1070	1605	2140	2675	3210	3745	4494	5350	6420	7490	8560	9630	10700
14,000 - 15,999	485	970	1455	1940	2425	2910	3395	4074	4850	5820	6790	7760	8730	9700
12,000 - 13,999	440	880	1320	1760	2200	2640	3080	3696	4400	5280	6160	7040	7920	8800
10,000 - 11,999	390	780	1170	1560	1950	2340	2730	3276	3900	4680	5460	6240	7020	7800
8,000 - 9,999	340	680	1020	1360	1700	2040	2380	2856	3400	4080	4760	5440	6120	6800
6,000 - 7,999	295	590	885	1180	1475	1770	2065	2478	2950	3540	4130	4720	5310	5900
under 6,000	245	490	735	980	1225	1470	1715	2058	2450	2940	3430	3920	4410	4900

For explanation see section 913

BEST COPY AVAILABLE

Dr. GLENN W. FERGUSON,
President, University of Connecticut,
Storrs, Conn.

DEAR DR. FERGUSON: The Executive Committee of the Board of Directors of RFE/RL, Inc. (the "Company") has authorized me to offer you employment as the Chief Operating Executive (President) of the Company; and you have indicated your willingness to accept this position. This letter is written to set forth the terms and conditions of your employment:

1. *Duties and title.*—During the term of this Agreement, you agree to serve as Chief Operating Executive (President) of the Company and to devote full time to the duties thereof as provided in the By-Laws and as may otherwise be determined by the Board of Directors. Without limiting the generality of the foregoing, your duties shall include all aspects of the day-to-day operations of the Company, including programming, finance, engineering, administrative personnel, and external affairs. The Board for International Broadcasting Act (Public Law 93–129), as amended, confers upon the Board for International Broadcasting ("BIB") certain oversight responsibilities with respect to the Corporation's affairs. Your duties with respect to the Corporation's external affairs shall include liaison with the BIB. All of the duties and responsibilities of your office shall be carried out subject to the overall direction of, and in accordance with, policies established by the Board of Directors of the Corporation. Unless otherwise directed by the Board of Directors, you shall maintain corporate headquarters and your office at the Company's facilities in Munich, but your authority and responsibility as Chief Executive and Chief Operating Officer shall extend to and include the Company's offices and personnel, wherever they may be located. During the term of your employment, you shall be elected as the Company's senior most corporate officer, and shall serve as a full voting member of the Executive Committee and the Board of Directors of the Corporation and as an ex officio member of any standing committees of the Board.

2. *Compensation.*—For the services to be rendered pursuant to this agreement, you shall receive:

(a) An annual salary in an amount equal to the annual basic compensation received by a person holding an Executive Level IV position in the Federal Service or $50,000 per year, whichever is greater ("Basic Compensation"), and a Post Allowance, as specified in regulations of the Company (which are comparable to regulations of the U.S. Department of State) appropriate to the Basic Compensation level provided herein; and

(b) in lieu of reimbursement of expenses for support services resulting from consolidation of offices in Munich and Washington, an annual sum of $10,000 ("Adjusted Presidential Allowance"), it being understood that such amount shall be paid independently of, and without regard to, any increase or other adjustment of the Basic Compensation or Post Allowance and that you shall not be obligated to account to the Corporation for the expenditure of such Adjusted Presidential Allowance.

The sums specified in paragraphs 2(a) and 2(b) shall be paid in equal monthly installments.

3. *Benefits.*—During the term of this agreement, you shall receive the following benefits incident to your employment by the Company:

(a) You shall be eligible for participation in the Pension Plan maintained by the Company in accordance with the terms thereof, all contributions to which shall be made by the Company on your behalf. Until such time as your rights to a pension have vested pursuant to the Company Pension Plan, the Company shall make a contribution of $3,000 per year in your name and on your behalf to the TIAA-CREF Individual Retirement Policy which you now maintain. Following vesting of your rights pursuant to the Company's Pension Plan, the Company's obligation to make such contributions to the TIAA-CREF Individual Retirement Policy shall cease.

(b) You shall be eligible to participate in (i) such group health insurance plan or plans as are now in effect or are hereafter placed in force by the Company; (ii) such long-term disability coverage plan or plans as are now in effect or hereafter placed in force by the Company and (iii) group life insurance coverage in the amount of $75,000 pursuant to plans now in effect or hereafter placed in force by the Company. The extent of coverage under group health, disability and life insurance plans shall be as provided in the policies or plans maintained by the Company. Premiums for life insurance and disability insurance shall be as provided in the policies or plans maintained by the Company. Premiums for life insurance and disability insurance shall be paid by the Company. Payment of premiums for group health coverage for yourself and dependents varies according to the option selected; and you shall be reimbursed or such premiums shall be paid by the Company to the extent provided under Company procedures in effect at the time such payments are due.

(c) The Company shall furnish you, without cost, appropriate living quarters, including heat, fuel and lighting, maintenance and services in premises owned or leased by the Company. The Company shall further provide you, at a nominal annual rental, with an automobile for official and personal use, and shall reimburse you for servicing (gasoline and oil) expenses incurred in the course of official business upon submission of appropriate documentation.

(d) The Company shall reimburse you for reasonable and necessary travel and accommodation expenses, as defined in the Company's personnel manuals, actually incurred by you in the discharge of official business. The Company shall further reimburse you for (i) reasonable and necessary travel expenses actually incurred by your spouse for one round trip per year between Munich and the United States; and (ii) reasonable and necessary travel expenses actually incurred by each of your dependent children, during undergraduate enrollment in institutions in the United States, for one round trip per year between the United States and Munich.

(e) The Company shall pay the reasonable and necessary costs of transportation of such household goods and personal effects (excluding motor vehicles) as you shall require to be transported to Munich; upon termination of this agreement for any cause whatso-

ever, the Company shall further pay the reasonable and necessary return transportation costs of such household goods and personal effects. The Company shall pay the reasonable and necessary cost of storage of household goods and personal effects (other than motor vehicles) which, in your discretion, you conclude are unsuitable or uneconomic for use in Munich.

4. *Outside activities.*—It is agreed that you may perform services as a director (but not an officer) of another corporation, present speeches, publish works or otherwise engage in activities unrelated to the performance of your duties hereunder; but you shall do so only to the extent that the rendering of such services or the performance of such activities do not conflict with the full-time performance of, and do not constitute a conflict of interest with, your duties as Chief Operating Executive (President) of the Company. All such activities permitted pursuant to this paragraph shall be carried out on your own time and at your own cost and expense. You may retain any compensation received as the result of activities engaged in pursuant to this paragraph without reduction of compensation and benefits payable to you hereunder. You have provided the Executive Committee of the Board of Directors of the Company a list of the activities in which you expect to be engaged at the time of commencement of your duties hereunder; and it is agreed that the performance thereof accords with the conditions set forth in this paragraph. You further agree to provide information with respect to such acitivities as you are then engaged in pursuant to this paragraph, upon request by the Board of Directors at any time.

5. *Term of agreement; benefits payable upon expiration.*—

(a) This agreement shall commence not later than August 15, 1978 or such earlier date as you are able to conclude your existing commitments and undertake the full-time performance of duties hereunder, and shall expire on August 15, 1981. Unless written notice of intention to permit this agreement to expire has been given either by you or the Board of Directors of the Company not less than 180 days prior to the expiration date set forth herein, this agreement shall automatically renew for an additional term of three years upon the same terms and conditions as herein set forth.

(b) Upon expiration of this agreement at the conclusion of its term or any renewal thereof, you shall be entitled to receive the following benefits: (i) severance payments due to an RFE employee as provided in the Company's Personnel Manual then in effect; (ii) such conversion privileges as may exist under Company life, health and disability plans in which you are a participant; (iii) pension payments, to the extent that your rights therin have vested, as provided in the Pension Plan then in effect; and (iv) transportation costs for household goods and personal effects as provided in subparagraph 3(f). Any and all other payments, remuneration and benefits shall cease and be null and void as of the date of expiration.

6. *Termination; benefits on termination.*—

(a) In the event of your death or permanent disability during the term of this agreement, this agreement shall automatically and without further notice terminate effective as of the last

day of the month following the month in which such death or disability occurs. Upon termination pursuant to this subparagraph, in addition to such claims as you may have under Company insurance policies, you or your estate shall be entitled to receive (i) compensation payable pursuant to paragraph 2 accrued but unpaid as of the date of termination; (ii) pension payments, to the extent that your rights therein have vested, as provided in the Pension Plan than in effect; and (iii) transportation costs for household goods and personal effects as provided for in paragraph 3(f). Any and all other payments, remuneration and benefits shall cease and be null and void as of the date of termination herein provided.

(b) In recognition of the unique character of the Company, it is agreed that this agreement may be terminated at any time during its term or any renewal thereof by the Board of Directors, with or without cause. If this Agreement is terminated without cause, you shall be entitled to the benefits specified in paragraph 5(b) hereof and shall, in addition, be entitled to monthly payments of Basic Compensation specified in paragraph 2(a) hereof for a period of twelve months following the date of termination or until the expiration date (or renewal expiration date if this agreement has been renewed) set forth in paragraph 5, whichever is sooner. Any and all other payments, remuneration and benefits shall cease as of the date of termination of this agreement. If this agreement is terminated for cause, you shall be entitled to no payments or benefits beyond the termination date except such conversion privileges as may exist under Company life, health and disability policy plans in which you are a participant and pension payments, to the extent that your rights therein have vested, as provided in the Pension Plan then in effect.

7. *Entire agreement; governing law; amendment; confirmation.*—This agreement constitutes the entire agreement between you and the Company and supersedes any oral or written agreements, all of which are of no force or effect. This agreement shall be governed by the laws of the District of Columbia applicable to an agreement executed and to be wholly performed within such jurisdiction. This agreement may not be amended except in writing, signed by both parties hereto. This Agreement is entered into subject to confirmation by the full Board of Directors of the Company and shall be submitted to the full Board for such action at its next regularly scheduled meeting following execution of the agreement.

If the foregoing correctly sets forth our understanding, kindly acknowledge by signing one copy of this letter in the space provided, and returning such copy to me.

Very truly yours,

RFE/RL, INC.
By JOHN S. HAYES,
Chairman of the Board.

Accepted and agreed to:
By Glenn W. Ferguson, April 3, 1978.

[Whereupon, at 11:26 a.m., the committee adjourned, subject to call of the Chair.]

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